



ARLINGTON FINANCE COMMITTEE

MINUTES OF MEETING

03/27/2023 7:30 PM

Robert P. O'Neill Community Room, 2nd Floor
Community Safety Building, 112 Mystic Street

ATTENDEES

Remy	P	White	P	Griffin	P	Bliss	P
Blundell	P	Younkin	P	Harmer	A	Tosti	P
Susse	P	Lobel	A	LaCourt	P	Deshler	P
Migliazzo	P	Gibian	P	Jones	P	Carman	A
Beck	P	Foskett	P	Heigham	A	McKenna	P
						Bradley	P

P indicates Present; L indicates late; A indicates Absent

Visitors: Christine Bongiorno (Director of Health & Human Services), Tim Ross (ADA Coordinator) Grace Carpenter (Commission on Disabilities Co-Chair), Ileana Nichte Gatica Herrera (Commission on Disabilities), Hanna Timberlake (Commission on Disabilities), Steve Makowka (Historic Districts Commission Chair)

BUDGETS, ARTICLES & ITEMS

1. Warrant Article 45: Committees & Commissions - Commission on Disability
 - a. Bongiorno and Ross provided an overview of past spending and future spending plans across the four categories of Administration & Supplies, ADA Improvements, Staff & Training and Program & Events
 - b. Disability Events include a semi-annual Resources & Connections Fair, Disability Career Fair (partnering with state), Braille Demonstration, Vision Walks and more to be developed with the Community Outreach & Engagement Coordinator
 - c. The Commission explained that ADA Improvement items in their budget request allows them to identify and fund items more quickly than going through the Capital Plan in response to community feedback; the Planning Department handles requests from the Capital Plan
 - d. VOTE: a motion to reduce the budget for the Commission on Disability from \$25,000 to \$20,000 was approved with 11 in favor and four abstaining (Blundell, Susse, Migliazzo, LaCourt)
2. Warrant Article 52 Opioid Settlement Fund
 - a. Anticipate receiving \$40,000-\$41,000 per year for the next sixteen years
 - b. A community needs assessment and community forum for feedback will occur before funding any projects; funds will supplement and strengthen (not supplant) current operations; Town Meeting will need to vote to authorize funds each year

- c. No anticipated new staff needed to administer settlement funds
 - d. VOTE: a motion to approve the Opioid Settlement Fund appropriating \$148,139.02 to be received by the town and expended under the direction of the Town Manager was approved unanimously
- 3. Warrant Article 45: Commissions & Committees - Historic Districts Commission
 - a. Makowka provided an overview of the Commission which encompasses seven districts and is entirely volunteer led in addition to a paid Executive Secretary
 - b. Budget request includes replacement of signs identifying Historic Districts (faded signs)
 - c. VOTE: a motion to appropriate \$6,000 to the Historic Districts Commission was approved unanimously
- 4. Insurance
 - a. GIC rates increased about 1.17% (lower than anticipated)
 - b. Additional programs are now paying toward Health Insurance programs through user fees (School Lunch Program), contributing about \$170,000 toward budget
 - c. Medicare Payroll Tax increasing and will go up a little each year because only employees hired after 1986 pay toward Medicare
 - d. Employee Mitigation fund must maintain at least a \$200,000 balance
 - e. VOTE: a motion to approve the Group Health Insurance budget totaling \$21,498,752 and the Liability Insurance budget totaling \$579,070 (as printed in the revised Manager Budget) was approved with 14 in favor and one abstaining (McKenna)
- 5. Warrant Article 56 – Subsidized Compost Collection
 - a. VOTE: a motion to approve the Subsidized Compost Collection article appropriating \$5,000 to be expended at the direction of the Town Manager, with the expectation that there will be a report to the Finance Committee at the end of the Fiscal Year, was approved unanimously
- 6. Override
 - a. The Town Manager will likely recommend a three year override of \$7m with majority appropriated for the schools to help fund new initiatives and increase teacher salaries
 - b. \$650k from the override would go to the town with \$200k for roads and sidewalks, salary to hire an engineer to work on gas leaks, a children’s librarian, potentially a dispatch supervisor, and to make the Community Engagement Coordinator a permanent position (currently ARPA funded)

7. Summary

Budget Name	Amount	Status
WA 45 – Commission on Disability	20,000	Approved
WA 52 – Opioid Settlement Fund	148,139.02	Approved
WA 45 – Historic Districts Commission	6,000	Approved
Insurance – Group Health Insurance	21,498,752	Approved
Insurance – Liability Insurance	579,070	
WA 56 – Subsidized Compost Collection	5,000	Approved

CONCLUSION

The meeting adjourned at 10:01 pm.

The next meeting is Wednesday, March 29, 2023.

Tara Bradley
3/28/2023

Reference 1: Commission on Disability Budget
Reference 2: Playground Augmentative Communication Board
Reference 3: Opioid Settlement Memo
Reference 4: Historic Districts Commission FY2024 Budget
Reference 5: Historic Districts Commission Actuals
Reference 6: Insurance Packet

Category	Description	FY23 Expenses	FY24 Expected Expenses
Administration and Supplies	Office, program supplies Communications	\$1,500 for outreach materials, and email account mailing list and creation of newsletter	\$2,500 for outreach materials and office supplies
ADA Improvements *Note- Apply yearly for ADA Improvement Grant, if granted then the Town matches grant to make improvements laid out in transition plan	Contribute to appropriate projects and improvements in Town that address improvements laid out by ADA Self-Evaluation Transition and Implementation Plan	\$3,288 - automatic swing door operator for Selectman Office inner door \$4,000 - purchase two floating beach wheelchairs for the Town Reservoir \$2,500 - TOPSoccer Accessibility Equipment \$5,000 - Language Access Project & Wayfinding Assessment \$2,500 - Communications Board \$3,000 - fix Robbins Library automatic doors	\$18,000~ for improvements/projects: Transportation Survey, Automatic Door Audit
Staff and Training	MCAD Training - Employment Discrimination 101 and Internal Investigations 201	MCAD Training - \$2,000	ADA Coordinator Certification Training - \$500
Programs & Events	Resourcess & Connections Fair 5/6/23	\$1,000 - Resources & Connections Fair	\$4,000 - Disability Events, Town Day and
Total		\$24,788	\$25,000

Playground Augmentative Communication Board

Expanding communication access in Arlington

The Doug Flutie Jr. Foundation for Autism donated a Playground Communication Board to the town of Arlington and it is located at the Summer Street Park, at 422 Summer Street, next to the Ed Burns Arena.



What is Augmentative/Alternative Communication (AAC)?

AAC helps individuals express thoughts, wants and needs, feelings, and ideas, using the following:

- manual signs, gestures, and finger spelling
- tangible objects
- photographs and line drawings
- picture communication boards and letter boards
- speech-generating devices

Who Uses AAC?

- Children and adults use different types of AAC. People with autism, cerebral palsy, aphasia, and many other disabilities benefit from AAC.
- Many children who are learning to talk benefit from visual models of language. In addition, using pictures along with words helps young children understand symbolic thought, as well as cause and effect.
- AAC offers shy or anxious individuals the opportunity to communicate without speaking.
- Picture symbols can be a shared language between individuals who may not share the same spoken language.

How Do I Use a Playground Communication Board?

- Bring your child's attention to the board. Point to the pictures and label them.
- Use the pictures to talk about what you see and what is happening around you. Children need to see others using the "language" in order to start using it themselves.
- Encourage your child to make a choice using pictures, such as "Should we use the slide or the swings first?"
- Help your child build sentences by pointing to several pictures in a row (e.g. "I + want + swing").
- Invite others to play by pointing to picture symbols, using a shared language.

Visit the Arlington Disability Commission:

<https://www.arlingtonma.gov/town-governance/boards-and-committees/disability-commission>
DisabilityComm@town.arlington.ma.us





Town of Arlington
Department of Health and Human Services

27 Maple Street
Arlington, MA 02476

Tel: (781) 316-3170
Fax: (781) 316-3175

MEMO

TO: Sandy Pooler, Town Manager and Arlington Finance Committee

FROM: Christine Bongiorno, Director of Health and Human Services

DATE: March 22, 2023

RE: MA Opioid Settlement Funding

Massachusetts has participated in the national opioid settlement efforts and will receive financial settlements from a number of companies in order to implement strategies to address the opioid epidemic that plague our communities. A portion of the financial settlement will be directed to municipalities that have signed on to the effort.

Arlington will receive a portion of these funds for 17 consecutive fiscal years beginning in FY22. **To date, Arlington has received \$148,139.02.** Prior to spending the funds, the Town is required to conduct a needs and asset assessment, allow for community input and obtain Town Meeting approval to accept funds. Health and Human Services is leading the effort to conduct the assessment and obtain community input; this will be done by June 2023 in an effort to begin spending the funds by the beginning of next fiscal year. Funding is intended to **supplement and strengthen rather than supplant resources** as outlined in the Contract: **Massachusetts Abatement Terms** copied below:

B. Massachusetts Abatement Terms. Abatement Funds shall be used solely to supplement and strengthen, rather than supplant, resources for prevention, harm reduction, treatment, and recovery, in accordance with the purposes and subject to the requirements in the appended Massachusetts Abatement Terms.

MASSACHUSETTS ABATEMENT TERMS

I. STATEWIDE COMMITMENT TO ABATEMENT

The Commonwealth and its municipalities have a shared commitment to using abatement funds recovered from statewide opioid settlements to supplement and strengthen resources available to Massachusetts communities and families for substance use disorder prevention, harm reduction, treatment, and recovery in a manner that:

- ❖ reflects the input of our communities, of people who have personal experience with the opioid crisis, of experts in treatment and prevention, and of staff and organizations that are carrying out the abatement work;
- ❖ addresses disparities in existing services and outcomes and improves equity and the health of individuals and communities disadvantaged by race, wealth, and stigma, including through efforts to increase diversity among service providers;
- ❖ addresses mental health conditions, substance use disorders, and other behavior health needs that occur together with opioid use disorder (“OUD”);
- ❖ leverages programs and services already reimbursed by state agencies and programs, including direct care reimbursed by MassHealth and the state’s Bureau of Substance Addiction Services (“BSAS”); and
- ❖ encourages innovation, fills gaps and fixes shortcomings of existing approaches; supplements rather than supplants resources for prevention, harm reduction, treatment, and recovery; includes evidence-based, evidence-informed, and promising programs; and takes advantage of the flexibility that is allowed for these funds.²

Arlington has a long history of working to increase prevention and intervention strategies related to substance use disorder (SUD) through a coalition model and partnerships internally and externally. This settlement funding will strengthen these efforts among all Town Departments charged with preventing and supporting residents suffering from SUD with the ultimate goal of reducing our overdose and SUD data overall.

The state has outlined 7 spending categories that we will focus our programming on:

1. Opioid use disorder treatment
2. Support people in treatment in recovery
3. Connections to care
4. Harm reduction

5. Address the needs of criminal justice involved persons
6. Support pregnant and parenting women and their families including babies with neonatal abstinence syndrome
7. Prevent misuse of opioids and implement prevention education

Below are overdose data from the Arlington Police Department for the 10-year period between January 2013 through December 2022. This will be a portion of the data that will be used to assemble a community needs assessment.

Overdose by age (years)	number
0 to 9	1
10 to 19	7
20 to 29	108
30 to 39	66
40 to 49	39
50 to 59	24
60 to 69	12
70 to 79	0
80-89	1
unknown age	1
total	259

Table 1. Arlington Police Department overdose data Jan 2013-Dec 2022

Over the course of the 17 year period of funding between FY22-FY38, we expect to receive an average of \$40,000 per year. The funding fluctuates each year depending on which companies are ordered to pay and for which years. There was an original payment schedule which will need to be amended because there are additional settlements that have been ordered and because we opted to receive up-front payments from one company.

Our team looks forward to utilizing this settlement funding to treat and support those that are touched by this epidemic and prevent further disease.

Arlington Historic District Commission FY2024 Budget Request

Expenditures:

<u>Recurring</u>		<u>Units</u>	<u>Per Unit</u>		<u>Subtotal</u>	<u>Total</u>
Exec. Secretary	Stipend	12	\$ 280		\$ 3,360	
Legal Notices		32	\$ 56		\$ 1,792	
Postage	District-Wide Mailings	335	\$ 0.63	\$ 211		
	Hearing Notices	32*10	\$ 0.63	\$ 202		
	Certificates	12*12	\$ 0.63	\$ 91		
	Other Notices	100	\$ 0.63	\$ 63		
					\$ 566	
Misc Expenses (printing, etc)					\$ 200	
Recurring Subtotal						\$ 5,918
<u>One Time</u>						
Exec. Secretary	Bonus				\$ 500	
Projects	Sign Replacement	7	\$ 500		\$ 3,500	
One-Time Subtotal						\$ 4,000
Total FY 2024 Expenditure						\$ 9,918

Sources:

FY2024 Town Meeting Appropriation (Requested)	\$ 5,750
Prior Years Transfer (per Munis)	\$ 3,329
	\$ 9,079

FY 2023 Estimate

<u>Change for FY2024</u>			
<u>Per Unit</u>	<u>Total</u>	<u>\$</u>	<u>%</u>
\$ 260	\$ 3,120	\$ 240	7%
\$ 45	\$ 1,440	\$ 352	20%
\$ 0.60	\$ 539	\$ 27	5%
	\$ 200	\$ -	0%
	\$ 5,299	\$ 619	10%
\$ 4,892	YTD Expenditures (per Munis)		

FY2023 Appropriation

<u>Chg for FY2024</u>	
\$ 5,100	\$ 650

TOWN OF ARLINGTON

YEAR-TO-DATE BUDGET REPORT

FOR 2021 99									
ACCOUNTS 0100	FOR: GENERAL	FUND	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
0165082 BROADWAY HISTORIC DIST									
0165082 5299	BROADWAY	HISTORIC	5,100	3,329	8,429	4,891.93	.00	3,536.69	58.0%
	TOTAL BROADWAY HISTORIC DIST		5,100	3,329	8,429	4,891.93	.00	3,536.69	58.0%
	TOTAL GENERAL FUND		5,100	3,329	8,429	4,891.93	.00	3,536.69	58.0%
		TOTAL EXPENSES	5,100	3,329	8,429	4,891.93	.00	3,536.69	

YEAR-TO-DATE BUDGET REPORT

FOR 2021 99

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
GRAND TOTAL	5,100	3,329	8,429	4,891.93	.00	3,536.69	58.0%

** END OF REPORT - Generated by Colleen Shea **

	2021 Actual	2022 Actual	2023 Budget	2024 Budget	\$ Change	% Change
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0191487 GROUP HEALTH INSURANCE

5245 EXP: WORKERS COMP	536,662	548,825	580,000	580,000	0	0.00%
5700 MEDICARE PENALTY	12,410	13,058	15,000	15,000	0	0.00%
5703 OPT OUT PROGRAM	215,306	200,864	205,996	213,996	8,000	3.88%
5704 INSURANCE:GROUP HEALTH	16,552,722	17,671,003	19,321,552	19,546,768	225,216	1.17%
5705 INSURANCE: GROUP LIFE	85,962	89,897	99,823	99,823	0	0.00%
5706 MEDICARE PAYROLL TAX	1,420,574	1,588,233	1,659,715	1,818,716	159,001	9.58%
5709 FLEXIBLE BENEFIT PLAN	34,886	34,981	38,880	38,880	0	0.00%
578027 EMPLOYEE MITIGATION	-	-	50,000	50,000	0	0.00%

0191487 GROUP HEALTH INSURANCE APPR	18,858,521	20,146,861	21,970,966	22,363,183	392,217	1.79%
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OFFSETS	(708,089)	(773,999)	(758,928)	(864,431)	(105,503)	13.90%
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0191487 GROUP HEALTH INSURANCE TAXA	18,150,432	19,372,862	21,212,038	21,498,752	286,714	1.35%
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0191488 LIABILITY INSURANCE

5702 UNEMPLOYMENT COMPENSATION	144,869	97,952	150,000	150,000	0	0.00%
5750 INSURANCE: OFFICIALS LIABILITY	56,258	56,856	55,000	55,000	0	0.00%
5751 PROPERTY INSURANCE	344,788	300,497	375,900	394,695	18,795	5.00%

0191488 LIABILITY INSURANCE APPROPRIA	545,915	455,305	580,900	599,695	18,795	3.24%
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OFFSETS	(20,625)	(20,625)	(20,625)	(20,625)	0	0.00%
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0191488 LIABILITY INSURANCE TAXATION T	525,290	434,680	560,275	579,070	18,795	3.35%
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3/23/2023

Health Insurance Offsets Calculation FY 2024

FY23		FY24	Recommended	FY-24
		Health Cost	Offset Percent	Offset
1)	Select Board	43,275	14.70%	6,362
2)	Town Manager	60,200	14.70%	8,850
3)	Personnel	26,646	14.70%	3,918
4)	Information Technology	107,028	14.70%	15,734
5)	Comptroller	101,285	14.70%	14,890
6)	Treasurer/Collector	177,869	14.70%	26,149
7)	Legal	98,295	14.70%	14,451
8)	Administration	214,397	50.00%	107,199
9)	Engineering	61,804	62.00%	38,319
10)	Highway (without S.Waste)	384,046	20.00%	76,810
11)	MER	150,330	30.00%	45,099
12)	Water Division	185,067	100.00%	185,067
13)	Total 1) - 12)	1,610,242		542,848
14)	HEALTH Offset - Sewer (50% of #13)			271,424
15)	HEALTH Offset - Water (50% of #13)			271,424
	Water & Sewer Enterprise Subtotal			542,848

Other Insurance Costs charged directly to Enterprise Fund & Retirement Office

Recreation	46,327	1.0000	46,327
Ed Burns Arena	35,936	1.0000	35,936
Retirement	68,203	1.0000	68,203
Arlington Community Ed	73,889	1.0000	73,889
School Lunch	97,228	1.0000	97,228
Other Enterprise & Retirement Subtotal			321,583

Total Health Insurance Offset	864,431
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Note: Departmental health insurance costs include current employees and retirees

ENROLLMENT BREAKDOWN OF GIC PLANS DECEMBER 2021 TO DECEMBER 2022

Plan Name	Premium	Town	Employee	22-Dec	21-Dec	Change	ind	fam	
FALLON DIRECT FAMILY	0.00	0.00	0.00	0	3	-3		-3	0.00
FALLON DIRECT FAMILY 75/25	0.00	0.00	0.00	0	5	-5		-5	0.00
FALLON DIRECT INDIVIDUAL	0.00	0.00	0.00	0	3	-3	-3		0.00
FALLON DIRECT INDIVIDUAL 75/25	0.00	0.00	0.00	0	14	-14	-14		0.00
FALLON DIRECT SURVIVOR INDIVIDUAL - 50/50	0.00	0.00	0.00	0	0	0	0		0.00
FALLON SELECT FAMILY	0.00	0.00	0.00	0	6	-6		-6	0.00
FALLON SELECT FAMILY 75/25	0.00	0.00	0.00	0	1	-1		-1	0.00
FALLON SELECT INDIVIDUAL	0.00	0.00	0.00	0	4	-4	-4		0.00
FALLON SELECT INDIVIDUAL 75/25	0.00	0.00	0.00	0	4	-4	-4		0.00
HARVARD INDEPENDENCE FAMILY	2412.86	1930.29	482.57	69	79	-10		-10	-231,634.56
HARVARD INDEPENDENCE FAMILY- 75/25	2412.86	1809.65	603.22	35	30	5		5	108,578.70
HARVARD INDEPENDENCE INDIVIDUAL	976.42	781.14	195.28	47	49	-2	-2		-18,747.26
HARVARD INDEPENDENCE INDIVIDUAL- 75/25	976.42	732.32	244.11	35	28	7	7		61,514.46
HARVARD INDEPENDENCE SURVIVOR FAMILY - 50/50	2412.86	1005.55	1005.55	0	1	-1		-1	-12,066.60
HARVARD INDEPENDENCE SURVIVOR INDIVIDUAL - 50/50	976.42	488.21	488.21	3	1	2	2		11,717.04
HARVARD PRIM CHC FAMILY	1829.24	1554.85	274.39	67	75	-8		-8	-149,265.98
HARVARD PRIM CHC FAMILY 75/25	1829.24	1371.93	457.31	54	42	12		12	197,557.92
HARVARD PRIM CHC INDIVIDUAL	721.33	613.13	108.20	31	30	1	1		7,357.57
HARVARD PRIM CHC INDIVIDUAL 75/25	721.33	541.00	180.33	73	61	12	12		77,903.64
HARVARD PRIM CHC SURVIVOR INDIVIDUAL - 50/50	721.33	360.67	360.67	0	0	0	0		0.00
HEALTH NEW ENG INDIVIDUAL 75/25	735.00	624.75	110.25	1	0	1	1		7,497.00
ALLWAYS/NHP CARE FAMILY	2352.42	1999.56	352.86	23	24	-1		-1	-23,994.68
ALLWAYS/NHP CARE FAMILY 75/25	2352.42	1764.32	588.11	23	21	2		2	42,343.56
ALLWAYS/NHP CARE INDIVIDUAL	892.50	758.63	133.88	12	13	-1	-1		-9,103.50
ALLWAYS/NHP CARE INDIVIDUAL 75/25	892.50	669.38	223.13	30	26	4	4		32,130.00
TUFTS NAVIGATOR FAMILY	2412.86	1930.29	482.57	86	92	-6		-6	-138,980.74
TUFTS NAVIGATOR FAMILY-75/25	2412.86	1809.65	603.22	78	82	-4		-4	-86,862.96
TUFTS NAVIGATOR INDIVIDUAL	976.42	781.14	195.28	54	48	6	6		56,241.79
TUFTS NAVIGATOR INDIVIDUAL-75/25	976.42	732.32	244.11	80	71	9	9		79,090.02
TUFTS NAVIGATOR SURVIVOR INDIVIDUAL- 50/50	976.42	488.21	488.21	3	3	0	0		0.00
TUFTS SPIRIT FAMILY	1829.24	1554.85	274.39	6	10	-4		-4	-74,632.99
TUFTS SPIRIT FAMILY 75/25	1829.24	1371.93	457.31	19	16	3		3	49,389.48
TUFTS SPIRIT INDIVIDUAL	721.33	613.13	108.20	14	12	2	2		14,715.13
TUFTS SPIRIT INDIVIDUAL 75/25	721.33	541.00	180.33	60	53	7	7		45,443.79
UNICARE BASIC FAMILY	2983.18	2237.39	745.80	12	19	-7		-7	-187,940.34
UNICARE BASIC FAMILY 75/25	2983.18	2237.39	745.80	4	0	4		4	
UNICARE BASIC INDIVIDUAL	1348.43	1011.32	337.11	25	28	-3	-3		-36,407.61
UNICARE BASIC INDIVIDUAL 75/25	1348.43	1011.32	337.11	8	8	0	8		
UNICARE COMM CHC FAMILY	1669.16	1335.33	333.83	11	12	-1		-1	-16,023.94
UNICARE COMM CHC FAMILY 75/25	1669.16	1251.87	417.29	25	22	3		3	45,067.32
UNICARE COMM CHC INDIVIDUAL	676.74	541.39	135.35	6	7	-1	-1		-6,496.70
UNICARE COMM CHC INDIVIDUAL 75/25	676.74	507.56	169.19	32	20	12	12		73,087.92
UNICARE PLUS FAMILY	2097.98	1678.38	419.60	19	16	3		3	60,421.82
UNICARE PLUS FAMILY 75/25	2097.98	1573.49	524.50	16	17	-1		-1	-18,881.82
UNICARE PLUS INDIVIDUAL	883.99	707.19	176.80	15	13	2	2		16,972.61
UNICARE PLUS INDIVIDUAL 75/25	883.99	662.99	221.00	37	29	8	8		63,647.28
Active Plans				1,113	1,090	23	49	-26	39,637.36
FALLON SENIOR PLAN	0.00	0.00	0.00	0		0			0.00
HARVARD MEDICARE SENIOR PLAN	421.84	316.38	105.46	343	357	-14			-53,151.84
TUFTS MED COMPLT SENIOR PLAN	421.84	358.56	63.28	124	121	3			12,908.30
TUFTS MED PREFER SENIOR PLAN	352.75	299.84	52.91	63	59	4			14,392.20
UNICARE OME	425.11	318.83	106.28	358	367	-9			-34,433.91
Medicare Supplements				888	904	-16			-60,285.25
Opt Out - Individual	166.66	166.66		25	27	0			
Opt Out - Family	333.33	333.33		42	38	-3			
Grand Total				2,068	2,059	9			-20,647.88
Opt Out Savings	Full	Town Share	Months				Net Annual Cost	Contracts	Savings
HARVARD INDEPENDENCE FAMILY	2543.63	2034.90	12				20419	38	775916.224
HARVARD INDEPENDENCE INDIVIDUAL	1036.03	828.82	12				7946	27	214538.976

\$ 990,455.20

**FY24 Premiums reflect GIC Plan consolidations and default plans

FY2023 Group Health Projection

FY 2023 Appropriation	Expended year to date		Projected Total FY2023	Projected Balance
\$ 15,000.00	\$ 10,304.06	medicare penalty	\$ 13,774.10	\$ 1,225.90
\$ 205,996.00	\$ 125,120.91	opt out program	\$ 204,035.96	\$ 1,960.04
\$ 19,321,552.00	\$ 12,323,936.98	group health	\$ 18,565,985.18	\$ 755,566.82
\$ 1,659,715.00	\$ 1,010,348.92	medicare withhold	\$ 1,559,212.41	\$ 100,502.59
\$ 99,823.00	\$ 61,325.55	group life	\$ 92,926.35	\$ 6,896.65
\$ 38,880.00	\$ 33,745.30	flex/hra admin fee	\$ 51,367.30	\$ (12,487.30)
\$ 21,340,966.00	\$ 13,564,781.72		\$ 20,487,301.30	\$ 853,664.70

Month	Medicare Penalty	Opt Out	Group Life	Flex/HRA Admin	Group Health	Medicare Withhold
July	\$ 1,156.68	\$ 7,153.66	\$ 7,722.00	\$ 3,412.20	\$ 1,574,200.48	\$ 84,832.92
August	\$ 1,156.68	\$ 9,538.28	\$ 7,637.85	\$ 4,241.05	\$ 1,560,512.05	\$ 103,024.20
September	\$ 1,156.68	\$ 31,536.31	\$ 7,434.90	\$ 4,279.60	\$ 1,501,743.56	\$ 130,975.44
October	\$ 1,156.68	\$ 10,344.12	\$ 7,410.15	\$ 4,292.40	\$ 1,518,295.35	\$ 123,683.34
November	\$ 1,156.68	\$ 10,344.12	\$ 7,741.80	\$ 4,324.65	\$ 1,551,081.96	\$ 123,412.16
December	\$ 1,156.68	\$ 36,516.22	\$ 7,672.50	\$ 4,405.50	\$ 1,542,229.86	\$ 190,948.97
January	\$ 1,121.32	\$ 10,497.94	\$ 7,806.15	\$ 4,405.50	\$ 1,537,740.29	\$ 126,167.72
February	\$ 1,104.84	\$ 9,190.26	\$ 7,900.20	\$ 4,384.40	\$ 1,538,133.43	\$ 127,304.17
March	\$ 1,137.82	\$ 27,074.94	\$ 7,900.20	\$ 4,405.50	\$ 1,560,512.05	\$ 127,092.37
April	\$ 1,156.68	\$ 11,190.26	\$ 7,900.20	\$ 4,405.50	\$ 1,560,512.05	\$ 160,254.73
May	\$ 1,156.68	\$ 9,728.78	\$ 7,900.20	\$ 4,405.50	\$ 1,560,512.05	\$ 124,757.38
June	\$ 1,156.68	\$ 30,921.07	\$ 7,900.20	\$ 4,405.50	\$ 1,560,512.05	\$ 136,759.01
YTD Actual	\$ 10,304.06	\$ 125,120.91	\$ 61,325.55	\$ 33,745.30	\$ 12,323,936.98	\$ 1,010,348.92
EOY Projected	\$ 13,774.10	\$ 204,035.96	\$ 92,926.35	\$ 51,367.30	\$ 18,565,985.18	\$ 1,559,212.41

Updated 3/2/2023



Fiscal Year 2024

Municipal Full Cost Health Insurance Rates

***All rates** below are effective July 1, 2023 and **include** the 0.30% administrative fee*

Employee and Non-Medicare Retiree/Survivor Health Plans				
Health Product	Individual	Family	Product Type	Product Category
Harvard Pilgrim Access America	\$1,180.40	\$2,629.04	PPO	National Network
UniCare Total Choice	\$1,348.43	\$2,983.18	Indemnity	Broad Network
UniCare PLUS	\$883.99	\$2,097.98	PPO-type	
Harvard Pilgrim Explorer	\$976.42	\$2,412.86	POS	
Mass General Brigham Health Plan Complete	\$892.50	\$2,352.42	HMO	
Health New England	\$735.00	\$1,757.61	HMO	Regional Network
UniCare Community Choice	\$676.74	\$1,669.16	PPO-type	Limited Network
Harvard Pilgrim Quality	\$721.33	\$1,829.24	HMO	

Medicare Plans			
Health Product	Individual	Product Type	Product Category
Tufts Health Plan Medicare Preferred	\$352.75	HMO	Medicare Advantage
UniCare Medicare Extension	\$425.11	Indemnity	Medicare Supplement
Harvard Pilgrim Medicare Enhance	\$421.84		
Health New England Medicare Supplement Plus	\$430.29		

Municipal Retiree Dental Plan	
Coverage Type	Retiree Monthly Cost
Individual	\$29.36
Family	\$70.75

Fiscal Year 2024 Full Cost Premiums: Non-Medicare

Key Insights

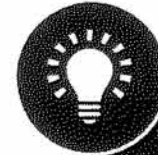
- **Regional products** are offered by provider-owned carriers; their premiums reflect their geographies and favorable contracted rates offered by their parent organizations
- **Narrow network products** offer lower rates due to more efficient providers, and generally attract lower risk members
- **Broad network products** offer a range of premiums; premiums higher than limited products as network is more robust
- **National products** remain the most expensive; they offer the most generous benefits and maximum choice

Network	Tier	FY23 Plan	FY23 Rates	Current FY23 Enrollment*	FY24 Plan	FY24 Rates	Projected Enrollment*	% Increase Over FY23 Rates
Regional	Individual	HNE	\$667.71	5,636	HNE	\$732.80	5,636	9.7%
	Family		\$1,597.34	6,031		\$1,752.35	6,031	9.7%
Narrow	Individual	UniCare Community Choice	\$621.96	8,724	UniCare Community Choice	\$674.72	8,724	8.5%
	Family		\$1,548.76	10,869		\$1,664.17	10,869	7.5%
	Individual				HPHC Quality	\$719.17	8,535	0.3%
	Family					\$1,823.77	7,341	-0.7%
	Individual	Tufts Spirit	\$673.71	3,319				
	Family		\$1,629.65	1,805				
	Individual	HPHC Primary Choice	\$744.49	5,216				
	Family		\$1,903.87	5,536				
Broad	Individual	UniCare Plus	\$808.96	9,558	UniCare Plus	\$881.35	9,558	8.9%
	Family		\$1,932.95	12,382		\$2,091.70	12,382	8.2%
	Individual	AllWays Health Partners Complete HMO	\$841.94	4,024	MGB Complete HMO	\$889.83	4,024	5.7%
	Family		\$2,205.02	3,927		\$2,345.38	3,927	6.4%
	Individual				HPHC Explorer	\$973.50	20,511	3.8%
	Family					\$2,405.64	27,572	4.9%
	Individual	Tufts Navigator	\$888.49	13,555				
	Family		\$2,176.62	18,473				
	Individual	HPHC Independence	\$1,032.93	6,956				
	Family		\$2,527.05	9,099				
	Individual				UniCare Total Choice (formerly UniCare Basic)	\$1,344.40	7,443	8.8%
	Family					\$2,974.26	4,645	8.4%
National	Individual				HPHC Access America	\$1,176.87	1,590	-4.7%
	Family					\$2,621.18	920	-4.5%
	Individual	UniCare Basic w/o CIC	\$1,176.39	381				
	Family		\$2,610.11	293				
	Individual		\$1,235.38	8,652				
	Family	UniCare Basic w/CIC	\$2,744.42	5,272				

* Current counts as of July 2022

- Overall average Fiscal Year 2024 premium increase amongst Non-Medicare products is 5.7%
- UniCare Community Choice remains the lowest cost product followed by HPHC Quality and Health New England
- As a result of the HPHC and Tufts Combination, the current HPHC and Tufts plans will be merged into HPHC Explorer (Broad) and HPHC Quality (Narrow). Resulting increments/decrements shown in the chart represent the blended impact of the combined populations.
- AllWays Health Partners Complete HMO is being rebranded as MGB Complete HMO
- OOA population of UniCare Basic w/CIC will move to Point32 National network (HPHC Access America)

Fiscal Year 2024 Full Cost Premiums: Medicare



Key Insights

- Premium increases across most plans while HNE stays level
- All Medicare Supplement products offer similar value propositions and premiums
- The majority of GIC Medicare-eligible members are in UniCare OME

Product	Tier	FY23 Plan	FY23 Rates	Current FY23 Enrollment*	FY24 Plan	FY24 Rates	Projected Enrollment*	% Increase Over FY23 Rates
Medicare Advantage	Individual	Tufts Medicare Preferred	\$344.39	4,635	Tufts Medicare Preferred	\$351.69	4,635	2.1%
Medicare Supplement	Individual	HPHC Medicare Enhance	\$422.70	17,699	HPHC Medicare Enhance	\$420.58	29,632	1.2%
	Individual	Tufts Medicare Complement	\$404.81	11,933				
	Individual	UniCare OME w/o CIC	\$400.81	441	UniCare OME	\$423.84	76,383	2.8%
	Individual	UniCare OME w/ CIC	\$412.13	75,942				
	Individual	HNE Medicare Supplement Plus	\$429.00	3,631	HNE Medicare Supplement Plus	\$429.00	3,631	0.0%

*Enrollment counts as of July 2022

- Overall average Fiscal Year 2024 premium increase amongst Medicare products is 2.3%
- Tufts Medicare Preferred is the only Medicare Advantage product offered to GIC members
- There is little premium variation across Medicare Supplement products with a maximum premium differential of \$8/month

GIC	Town Share	Employee Share	Admin Fee	Adjustments	Total owed	Amount Paid	Due	Date Paid	Warrant Number	Warrant Date
FY23	0191487-5704	01-2159								
Jul-22	1,574,200.48	468,830.13	0.00	0.00	2,043,030.61	2,043,030.61	7/21/23	7/20/22	23017	7/21/22
Aug-22	1,560,512.05	464,892.34	0.00	0.00	2,025,404.39	2,025,404.39	8/26/23	8/25/22	23046	8/25/22
Sep-22	1,501,743.56	445,957.73	0.00	0.00	1,947,701.29	1,947,701.29	9/29/23	7/22/22	23072	7/22/22
Oct-22	1,506,597.53	447,254.40	0.00	0.00	1,953,851.93	1,953,851.93	10/27/23	10/26/22	23098	10/27/22
Nov-22	1,542,421.47	459,928.88	0.00	0.00	2,002,350.35	2,002,350.35	11/24/23	11/22/22	23125	11/17/22
Dec-22	1,540,449.21	460,366.27	0.00	0.00	2,000,815.48	2,000,815.48	12/22/23	12/21/22	23158	12/21/22
Jan-23	1,536,960.23	458,967.69	0.00	0.00	1,995,927.92	1,995,927.92	1/27/23	1/26/23	23187	1/26/23
Feb-23	1,540,145.23	460,753.57	0.00	0.00	2,000,898.80	2,000,898.80	3/2/23	2/23/23	23210	2/23/23
Mar-23	1,539,858.00	461,384.17	0.00	0.00	2,001,242.17	2,001,242.17	3/30/23	3/23/23	23234	3/23/23
Apr-22			0.00	0.00	0.00	0.00				
May-23			0.00	0.00	0.00	0.00				
Jun-23			0.00	0.00	0.00	0.00				
FY23	13,842,887.76	4,128,335.18	0.00	0.00	17,971,222.94	17,971,222.94				
	Town Share	Employee Share	Admin Fee	Adjustments	Total owed	Total Paid				

GIC HEALTH INSURANCE RATES EFFECTIVE 7/1/2023			FY24								
				15% Contribution			25% Contribution				
Health Plan	Product Type	Product Category	Full Premium	Town Monthly	Retiree Monthly	Retiree Weekly	Town Monthly	Retiree Monthly	Retiree Weekly	Survivor Monthly	COBRA Monthly
Tufts Health Plan Medicare Preferred	HMO	Medicare Advantage	352.75	299.87	52.88	13.22	264.59	88.16	22.04	176.37	359.81
Harvard Pilgrim Medicare Enhance	INDEMNITY	Medicare Supplement	421.84	x	x	x	316.40	105.44	26.36	210.92	430.28
UniCare Medicare Extension	INDEMNITY	Medicare Supplement	425.11	x	x	x	318.87	106.24	26.56	212.55	433.61
Health New England Medicare Supplement Plus	INDEMNITY	Medicare Supplement	430.29	x	x	x	322.73	107.56	26.89	215.14	438.90

Reference 6

Account Inquiry [TOWN OF ARLINGTON]



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PDF



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Schedule



Attach



Detail



Months

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Account

Fund 8860 ... HCTF
 Org 886 ... HEALTH CLA
 Object 1040 ... CASH
 Project ...

Acct 8860-0-0000-0000-00-00-0-NM-1040
 Acct name CASH
 Type Balance Sheet
 Rollup ...
 Sub-Rollup ...

Status Active

Account

☐ Annual Budgeting
☒ MultiYr Fund

4 YEAR COMPARISON

CURRENT YEAR

HISTORY

4 YEAR GRAPH

HISTORY GRAPH

Yr/Per 2023/09
 Original Budget
 Transfers In
 Transfers Out
 Revised Budget
 Actual (Memo)
 Encumbrances
 Requisitions
 Available
 Percent used

Fiscal Year 2023

Fiscal Year 2022

Fiscal Year 2021

Fiscal Year 2024

Original Budget	.00	.00	.00	.00
Transfers In	.00	.00	.00	.00
Transfers Out	.00	.00	.00	.00
Revised Budget	.00	.00	.00	.00
Actual (Memo)	1,465,381.43	1,760,262.84	2,049,648.85	.00
Encumbrances	.00	.00	.00	.00
Requisitions	.00	.00	.00	.00
Available	.00	.00	.00	.00
Percent used	.00	.00	.00	.00

Display detail information for current account.



1 of 1



TOWN OF ARLINGTON
LEGAL DEPARTMENT

Administration of:
Workers' Compensation
Line of Duty Injuries



50 Pleasant Street
Arlington, MA 02476
781-316-3154
Fax: 781-316-3159

MEMO

To: Insurance Subcommittee
Sandy Pooler, Town Manager

From: Michael C. Cunningham

Re: FY24 Workers' Compensation Budget

Dated: March 21, 2023

A. Covered Employees

The Town is required to cover all full-time, part-time, temporary, seasonal and on-call employees pursuant to the provision of the Massachusetts Workers' Compensation law (General Laws Chapter 152). This includes all School Department employees but excludes Police Officers and Firefighters. Uniformed Police and Fire Department employees are covered by separate line-of-duty wage replacement and medical indemnity statutes. Injury related payments for police and fire are directed out of the respective departments but the entire claims handling process is managed through this department.

B. Present Status of the FY23 Budget

As of March 21, 2023, the Workers' Compensation budget has expended \$369,884.06 (63.77%) of its \$580,000 FY23 budget. These expenditures represent payments for weekly compensation indemnity benefits pursuant to Chapter 152, §34 (temporary total disability payments), §35 (temporary partial disability payments), §34A (permanent and total disability payments), §31 (widows benefits), §§13 & 30 (hospital and medical benefits) and departmental related costs.

The following information is provided pursuant to (and constrained by) the various state and federal privacy laws. The weekly indemnity payroll for FY23 to date has averaged \$6,634.02 and presently stands at \$6,367.73 per week. The present weekly amount is slightly lower than last year and based on current projections, is not expected to push expenditures past

the FY23 budget of \$580,000.¹ As for medical payments, they have averaged approximately \$3,021.77 per week, a slight increase from last year. Medical costs remain an ongoing concern as the costs of most treatment and procedures continually outpace funding resource increases. The nature of workers' compensation coverage lends itself to medical and indemnity monetary deviations, and the years following the pandemic created more variability than ever.

As referenced above, a driver of increased costs in FY23 that is expected to continue into FY24, is that medical expenditures will be pressured by the increased use and availability of sophisticated medical diagnostics and treatment within the Town's geographic area. The Executive Office of Health and Human Services has statutory authority to establish rates of payment for hospitals and health care providers for services covered by insurers and other purchasers under the Workers' Compensation Act. While it is commonly accepted that rates will increase, there has been a general slowing in the percentage thereof. Under Massachusetts workers compensation law, a fiscal year payment for causally related medical treatment includes new claims as well as statutorily mandated payments that follow the injured employee whether active, inactive or retired.

In an effort to recoup paid costs, this department pursues subrogation claims, when appropriate, against third party tortfeasors. Subrogation claims are instituted against third parties whose conduct or actions either caused or contributed to an injury sustained by a Town employee. All subrogation recovery checks are made payable to the Town of Arlington and are forwarded to the Town Treasurer for deposit into the Town's General Fund. Additionally, the department regularly contests liability claims, resulting in significant direct cost and long term savings. Further cost savings to the Town are obtained through medical services bill negotiation and rate reduction for Town employee workers' compensation (including the School Department) and Police and Fire line-of-duty claims.

In an effort to anticipate further medical costs for the remainder of FY23, we note that at present, there is at least one Town employee who is scheduled or expected to undergo a work-related surgical intervention prior to the end of this fiscal year. So far in FY23, there have not been any lump sum settlement agreements, but there may be one, possibly two prior to the end of the fiscal year. All settlements are expected to be fair and reasonable and will help the Town reduce its weekly compensation indemnity payments.

Given the existing weekly indemnity payments, projected hospital, medical, rehabilitative costs, redemption of liability expense and pending litigation claims analysis, it is projected that the department will stay within the limits of the FY23 budget and will not submit a request for a reserve fund transfer this fiscal year.

There is presently no amount remaining in the Workers' Compensation Reserve Fund. In addition to sound fundamental self-insurance claim reserves practice, another purpose of the Reserve Fund is to fund liability redemption for claims having occurred in previous fiscal years. There always exists a necessity to restore claim loss reserves to appropriate levels. It is therefore

¹ It is noted that the Workers' Compensation budget was increased last fiscal year from \$540,000 to \$580,000. It was the first time that the budget since FY17. No Workers' Compensation budget increase is requested or recommended this fiscal year.

recommended that any remaining balance in the Workers' Compensation Expense Account at the end of FY23 be used to appropriately fund the Workers' Compensation Reserve Fund as contemplated and allowed by the Workers' Compensation statute. Given the uneven nature of annual claim losses, this fiscally responsible practice has served the Town well for many years.

C. FY 2024 Budget

The following assumptions have been made: (1) the number of employees covered under the Massachusetts Workers' Compensation Act will remain essentially the same on both the School and Town side, (2) the nature and essential job functions of the existing employees will remain the same, (3) the number of "standard" hours worked by employees will remain the same, (4) the manual labor force employees' average standard overtime hours will remain constant given the Town's projected projects and winter storm conditions, (5) the average age of the Town employee will remain essentially the same, (6) given the present state of the economy, it is presumed that the maximum average weekly wage in the Commonwealth of Massachusetts will not increase greater than 4% above the existing \$1,765.34 [weekly indemnity ceiling set each October 1st by the Department of Industrial Accidents],² (7) Town and School District employee's average weekly wage increase will not exceed 3%, (8) the workers' compensation weekly indemnity statutory rate (60% of average weekly wage) will remain the same, (9) hospital/medical HHS reimbursement rates will not exceed the state's previously set 3.6% benchmark, and (10) the increase in the costs of non-rated medical services will not exceed ten percent.

Based on the assumptions set out above, as well as ongoing trends regarding increasing medical costs, the Workers' Compensation budget, which had been set at \$540,000 per year since FY17 (with a one year decrease to \$500,000 in FY18) was increased by \$40,000 (7.4%) to \$580,000 in FY23. No increase is requested or recommended for FY24.

The primary drivers for the approved increase in FY23 included the increasing year over year costs of indemnity benefits to employees injured on the job and the ongoing difficulty in managing medical costs that are outpacing budgetary allowances. It was also noted that some types of medical services are increasingly difficult to secure, given the low reimbursement rates for medical services, as set by the Executive Office of Health and Human Services.³ The low reimbursement rates make it difficult to schedule some types of treatment with medical providers who are reluctant or refuse to accept current reimbursement rates for service. The requested budget increase has helped secure the best medical care for our employees so that we can assist them in their quest to return to work as soon as possible and off of the Town's weekly Workers Compensation payroll. Below is a summary of the average weekly payroll for our Town employees who receive Workers' Compensation benefits:

² It is noted that following a dramatic 13.8% increase in 2021, the increase in 2022 was 4.2%. Annual increases from the three previous years (2018-20) were 3.9%, 3.4% and 3.4%.

³ Effective October 1, 2022, the rate of payment set by the Executive Office of Health and Human Services for hospital outpatient workers' compensation charges increased from 58% to 61%. The rate has varied from 58% in 2021, 62% in 2020 and 66% in 2019.

YEAR	WEEKLY AVERAGE
FY23 (as of 3/21/23)	\$6,6304.02
FY22	\$7,411.37
FY21	\$6,520,99
FY20	\$6,671.11
FY19	\$6,671.11
FY18	\$4,919.28
FY17	\$3,457.00

As noted above, this office seeks level funding in FY24 for the Workers' Compensation budget so that we may provide an appropriate amount for projected FY24 claims, funds loss reserves, address potential litigation claims/loss exposure and provide funds for the appropriate redemption of existing claims.